VZCZCXRO6914

OO RUEHCHI RUEHCN RUEHDT RUEHHM

DE RUEHML #2290/01 3070755

ZNY CCCCC ZZH

O 030755Z NOV 09

FM AMEMBASSY MANILA

TO RUEHC/SECSTATE WASHDC IMMEDIATE 5619

INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS IMMEDIATE
RHHMUNA/CDRUSPACOM HONOLULU HI IMMEDIATE
RUEKDIA/DIA WASHDC IMMEDIATE
RUEAIIA/CIA WASHDC IMMEDIATE
RUEKJCS/SECDEF WASHDC IMMEDIATE

C O N F I D E N T I A L SECTION 01 OF 03 MANILA 002290

SIPDIS

E.O. 12958: DECL: 11/04/2019

TAGS: PGOV PREL RP

SUBJECT: SENATOR VILLAR GOES ON THE OFFENSIVE IN

PRESIDENTIAL CAMPAIGN

REF: A. MANILA 2218 (FORMER PRESIDENT ESTRADA ANNOUNCES PRESIDENTIAL RUN)

MANILA 1901 (SENATOR AQUINO DECLARES PRESIDENTIAL BID)

Classified By: Ambassador Kristie A. Kenney, reasons 1.4 (b) and (d).

11. (C) SUMMARY: In a private breakfast with the Ambassador October 28, a relaxed and confident Senator Manuel "Manny" Villar said he would focus his presidential campaign message on the need for an accomplished, pragmatic leader in Malacanang, and criticized his opponents as inexperienced, beholden to hidden campaign financiers, or simply phony. Taken aback by the emergence of Senator Benigno "Noynoy" Aquino as a viable competitor, Villar said he had regrouped and would stress that Filipinos should not vote for a candidate based on heritage -- a jab at Aquino -- but look for business and political accomplishments, which favor Villar's background as a real estate developer and former head of both houses of Congress. Villar did not minimize the struggle he faces, voicing admiration for his opponents' successful public relations efforts, and said television access and hands-on campaigning would be key. If elected, Villar said improved road infrastructure, increased foreign investment and enhanced fiscal methods would be priorities. END SUMMARY.

MOMENT OF DOUBT

 $\P2$. (C) Though Senator Villar has made clear his intention to seek the presidency for the past two years, he told the Ambassador that he had a shock in August, when the outpouring of emotion over the death of former President Corazon Aquino propelled her son, Senator Benigno "Noynoy" Aquino, from relative obscurity in the Philippine Senate to the front rank of presidential contenders in a matter of weeks. Villar said that, like most political observers, he was unprepared for the wave of popular support that led Senator Manuel A. "Mar" Roxas to abandon his presidential bid at the head of the Liberal Party ticket in favor of Aquino. Villar said his worry over the sudden change of events -- and his fear that perhaps Senator Aquino would be seen as the favorite of the U.S. in the election given his mother's legacy, despite the USG's clearly stated position it has no favorites in the Philippine election -- led him to travel to Washington, D.C., early this fall to sound out U.S. politicians and observers in the company of political ally Senator Aquilino Pimentel. Villar told the Ambassador he came away reassured from his meetings on the Hill and the State Department that the USG remained neutral in the election.

THREE WEDDINGS AND A FUNERAL

13. (C) Still, Villar voiced rueful admiration at the public

affairs savvy of the Aquino team. He noted that Noynoy Aquino and his advisers had used the outpouring of public affection for Cory Aquino, whose administration is collectively viewed as more democratic and less corrupt than that of President Arroyo, as a springboard to a viable presidential bid. Not only that, the Liberal Party had extended its hold on the public imagination with the high-profile wedding October 27 of its vice presidential pick, Mar Roxas, and well-known TV reporter Korina Sanchez. The ornate wedding was televised live nationwide, garnered front-page pictures and headlines and featured a wide array of Philippine political and cultural icons. Villar laughingly predicted that the Liberal Party would soon find a way to engineer a similar high-profile wedding for bachelor Noynoy Aquino to gain more publicity. In a humorous play on a hit movie, he said the party's campaign strategy should be called, "A Funeral and Two Weddings."

WHAT YOU SEE IS WHAT YOU GET

14. (C) Villar told the Ambassador that he had a simple strategy for gaining the presidency: Just be Manny Villar. And he also made it clear he plans to assail his opponents for pretending to be what they are not. Villar briefly rehearsed his rags-to-riches story, noting how he had grown up poor in Tondo, the most impoverished area of Manila, and played in the massive garbage dump there, but by dint of hard work and determination rose to become one of the Philippines' most successful (and richest) real estate developers before moving on to become Speaker of the House of Representatives, Senate President and now a presidential candidate.

MANILA 00002290 002 OF 003

- ¶5. (C) Taking a sharper tone -- and taking obvious aim at his opponents -- Villar said, "When you look at me, you're looking at Manny Villar, the real thing, not my father, not my mother, not at some tycoon behind me." Villar's remark was clearly directed at a variety of political opponents. On one level it was a jab at Senator Aquino, whose candidacy has been propelled in large measure by fond memories of his parents, assassinated Senator Benigno "Ninoy" Aquino and Corazon Aquino, major icons of Philippine democratic and political development, rather than by any significant accomplishments in Noynoy Aquino's own political career, which observers routinely describe as "lackluster."
- 16. (C) On another level, Villar was highlighting the role that big-money contributors will play in the national election campaign. A peso multi-billionaire himself, Villar told the Ambassador he could fund his own campaign, and would not be beholden to some hidden financier, as other less well-off candidates would. The press is rie with speculation that numerous candidates are eeking the backing of the country's leading tycons, and it is routinely noted that Senator Aquin and Lakas-Kampi-CMD presidential candidate Gilbrto Teodoro are close relatives of San Miguel Cororation head Danding Cojuangco, one of the Philippnes' wealthiest men.

NOT AN ACT

17. (C) Villar's comment also took aim at former resident Joseph "Erap" Estrada, the deposed formr leader who is again running for office. In an ronic twist given Villar's humble upbringing in ondo, Estrada draws some of his strongest suppor from the poor in Tondo, where he announced his residential bid on October 21. Yet Estrada was bon into a prosperous family, and his only real conecion to underclass Filipinos is that he made hs name as a movie star who specialized in roles here he was the poor underdog fighting for the rghts of his underprivileged compatriots. In resonse to the Ambassador, Villar acknowledged Estradas popularity among the poor, especially in Tondo but repeated

MALACANANG NO PLACE FOR ON-THE-JOB TRAINING

8.(C) Senator Villar said a second thrust of his campign will be to emphasize the vital need for exective experience in order to be a successful presdent. "How can someone run this country when they have never even been a barangay captain (village leader), never built a road, never run an organization?" Villar queried. "The presidency is no place for on-the-job training." He went on to note that he had built major expressways, run one of the country's largest and most successful real estate development corporations, and headed both of the country's legislative bodies. This depth of experience set him apart from his main competitors, Villar stated, again in a swipe at Senator Aquino.

CAMPAIGN NUTS AND BOLTS

19. (C) Villar appeared unconcerned that he has not yet announced a vice presidential partner. He said he had considered youthful Senator Francis "Chiz" Escudero, but said that his staff did not gel with Escudero. Villar described current Vice President Noli DeCastro as a close friend and political ally, but voiced fears that DeCastro's association with President Arroyo would be detrimental. That left Senator Loren Legarda, whom he did not hold in terribly high regard and whose signature issue -- the environment -- did not really resonate with voters, but whom many Filipinos consider "pretty," so Villar thought he could "learn to live with her" as a running mate. As for the best way to reach the mass of voters, Villar said television air time was vital, and he bemoaned the fact that major television network ABS-CBN -- which cultivated the successful media career of Senator Aquino's sister, Kris -- gave daily coverage to Senator Aquino and virtually ignored him. There was also no substitute for traveling the length and breadth of the country, Villar stated, and noted that he had deep experience traveling in Mindanao and the Visayas. While Senator Aquino had a significant polling advantage around the metro Manila area, where most voters had access to television news, Villar said he has a greater advantage in the Visayas and other less urban areas.

MANILA 00002290 003 OF 003

INFRASTRUCTURE KEY TO INCREASED GROWTH

- 110. (C) Elaborating on his priorities should he be elected, Villar spoke enthusiastically about the need for improved infrastructure in the country, particularly roads and expressways. Villar said he wanted not merely to join up the northern and southern expressways that bracket Manila but do not currently connect, but to extend them in both directions to link all of the main island of Luzon with the Bicol region, hundreds of miles to the south. This would improve the transport of people and goods, particularly agricultural products. Rail development would not be a priority, according to Villar, as it did not deliver the same rapid return as roads and was not as flexible a transport method.
- 111. (C) The Philippines also needed to open up to foreign investment, Villar opined, saying that a lack of foreign capital had hampered the country's development. Fiscal improvements were also vital in increasing the government's income, and were one of the few positive legacies of the Arroyo administration, according to Villar. He laughingly voiced admiration for current Finance Secretary Margarito "Gary" Teves, saying Teves had the right "boring" demeanor to head the finance department, so there were no surprises for the markets, good or bad, an observation he attributed to a comment by former President Bill Clinton about ideal qualities for finance ministers.

 $\underline{\mathbf{1}}$ 12. (C) After a tough political year that saw him deposed as Senate president over charges that he profited personally from a major road building project, Villar looked fit and relaxed, and projected a congenial and confident demeanor. He asserted that this would be his last effort to run for office, and that if he did not succeed, he would devote his efforts to managing his new foundation and improving the lives of Filipinos; he also noted that his wife, Representative Cynthia Villar, would not run again for Congress, but would help his campaign. Villar remains near the top of every presidential poll, and his combination of experience, financial resources and public affability are strengths for his campaign. Still, his opponents and critics turn some of Villar's arguments back on him, charging that he has profited illegally from legislation he authored in the Senate, and that his vaunted experience has sometimes resulted in failure, as when he was ousted as Senate head, not to mention that he does not yet have a running mate. Nonetheless, Villar is well-positioned at the moment, and his practical understanding of the mechanics of running a nationwide campaign make him a strong prospect for President. KENNEY